

MicroSave Briefing Note # 129

Customer Support for E/M-Banking Users

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Customer delight is no longer a 'nice-to-have' strategy, but increasingly recognised as integral to any sound business-model. Given the high cost of customer acquisition and wafer-thin margins, the longevity of customer relationships is quite fundamental to the very survival for providers servicing the poor. A delighted customer not only drives the usage to a higher level, but becomes an advocate, and a tremendous catalyst for marketing efforts through word-of-mouth promotion.

While customer service and support is important for any product, it is vital for financial services that deal with people's money. It is even more significant in the context of the illiterate/semi-literate poor, having their very first experience with financial services delivered through non-traditional channels, outside bank branches through retailers or business correspondent agents. This Note examines various dimensions around enhancing customer experience.

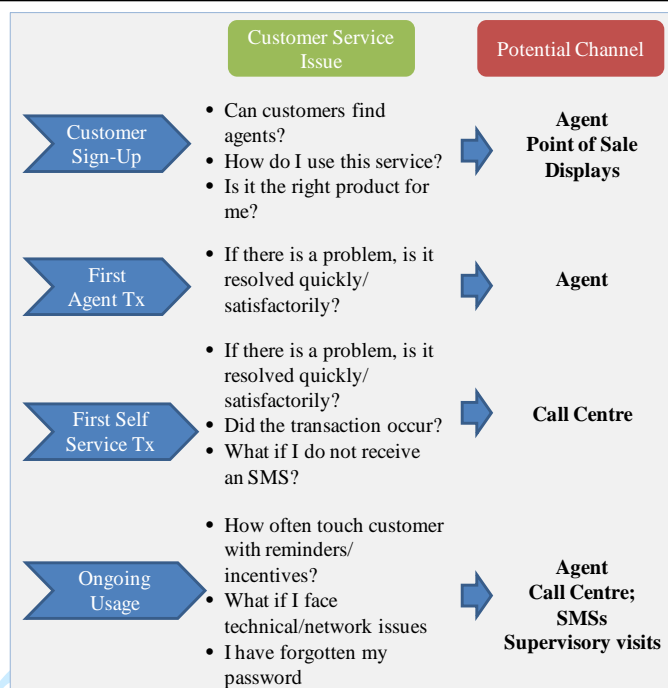
Consumer Usage Lifecycle and Service Issues

Customer needs for support in the context of e/m-banking vary at different lifecycle stages and should to be addressed accordingly (see exhibit in next column):¹

1. **Customer sign-up:** To be able to find the agent location; understand the product features and their benefits; and understand how to sign up for the product, make enquiries about status in case of delay in service activation / card issuance.
2. **First agent transaction:** To understand how to load and access the service or the application, if required; understand the process of making a transaction; and troubleshoot in case of a problem.
3. **First self-service transaction:** To receive support when conducting self-service transactions in terms of network/connectivity support, transaction confirmation, troubleshooting, delays and so on.
4. **Ongoing usage:** To receive regular updates and reminders; troubleshooting; new product enrolment and other support.

Channels for Customer Support

The relevance and utility of methods for providing customer service and support varies during the usage lifecycle. The most widely used channels are – (a) front-end agents; (b) call centres; (c) monitoring visits and interactions by supervisors/managers during visits to agent/customer locations; (e) information through point of sale displays; and (f) SMS interactions.



Front-end Agents

Agents are the first and the most critical point of contact for customers. Thus, their importance and role in ensuring high quality customer support is clear. This can be achieved through a three-pronged approach.

- a. **Agent selection:**² It is important to ensure that the agent recognises his/her vital role in providing customer support and is capable of delivery. Though subjective, the agent selection process should seek to assess agent's ability and willingness to offer customer support services.
- b. **Training and information material:** Next the agents must be armed with appropriate training and adequate information material such as process manuals, product information and frequently asked information guides. The training should lay adequate emphasis on the basics as well as critical aspects of customer service for which agents are responsible.
- c. **Incentivisation:** Agent incentives are normally on a fixed-fee basis or linked to the number of accounts opened and the value or the volume of transactions conducted. In order to drive customer delight, these need to be altered to include incentives on customer longevity and satisfaction. Some metrics that can be adopted are: average quarterly balance maintained by the customers; percent of active customers that are more than 6 month/ 1 year/ 2 years old; consumer complaints as a percentage of total

¹ Adapted from the [CGAP Framework for Active Customers](#)

² See *MicroSave* Briefing Note # 81 "[M-Banking Agent Selection](#)" and India Focus Note 66 "[What Do Clients Want in E/M-Banking Agents?](#)"

enrolled/active base; inactive customer base; feedback surveys and so on. This can greatly motivate the agents to acquire the right customers, attend to their issues and ensure their satisfaction.

Call Centre for Customers

ANMs and banks often provide remote support for frontline agents. There is however an equally compelling and acute need for a direct helpline for the customers. This becomes an essential fall-back option when agents are unavailable or unable to address consumer queries or grievances. Customers get an opportunity to provide feedback on agents or lodge complaints in case of unsatisfactory service or to simply call to inquire about products or agent locations. If this can be made reliable and efficient, it has the potential to boost customers' trust many fold as they would have a 12x7 or 24x7 accessible recourse mechanism.

In order to ensure call centres are reliable and efficient, certain measures need to be put in place: pre-defined turnaround times; well trained and suitably informed call centre executives; tracking open cases; and escalation for unresolved / delayed cases. At Eko, an ANM in India, every service denial complaint is tagged to the particular agent.³

Call centres can also provide valuable insights to ANMs and can be effectively used as a channel to communicate with customers, or as a resource to enhance marketing efforts and quality of operations. For instance, if there are too many queries on a particular product, it suggests that some promotional/marketing efforts might be needed. Outbound calls can be made to increase sales, disseminate product information, introduce special offers, conduct research for new products, and obtain feedback for existing products. Equity Bank in Kenya recently conducted a huge marketing campaign to launch its m-banking product. Their call centre played an important role to measure the effectiveness of various media channels used and provide inputs for future marketing strategy.

Call centres can be in-house or outsourced, with toll or toll-free access, depending on the strategy, scale and cost-benefits for an ANM. Often providers commence with a toll-free service and subsequently introduce charges once the customers are accustomed to the m-banking service.

Monitoring and Supervision

Periodic visits to agent locations are necessary to monitor agent activity, identify and mitigate risks and to

receive customer feedback. These visits should include assessment of consumer related issues and could include monitoring customer service levels, point of sale displays (particularly pricing), instances of mis-selling or overcharging customers and so on. These visits should be made by both bank and ANM staff. Appropriate mechanisms such as mystery shopping and test transactions at the agent location, can be institutionalised to enforce monitoring discipline. Suitable rewards and penalties need to be imposed for non-compliance. In Mexico, regulations empower the supervisor to shut down an agent's operations partially or totally for inappropriate customer service.⁴

Some ANMs/banks also outsource the monitoring function. M-PESA uses the services of Top Image for monitoring front-end agent activity. Banks/ANMs can couple these visits with customer interviews to assess customer satisfaction levels, wherein the staff can use a questionnaire to gather feedback.⁵

Information at Point of Sale (POS) Displays

In many countries, regulations require agents to display important information - such as certificate of appointment, grievance redressal process, product pricing - prominently. In Colombia, agents are required to display notices informing clients that withdrawals depend on availability of cash at the agent. In Brazil, Colombia, and Mexico, marketing material and transaction receipts must disclose that the agents are associated with a licensed financial institution.⁶

POS displays also aid branding the outlets so that customers can identify them. ZMF⁷ in India displays bank's sub-brand "SBI Tiny" to enable customers to identify their outlets easily and to build trust. They can also be used to communicate with the customers about new products and promotions.

Who is Responsible for Customer Support?

In certain countries like Brazil, Mexico and Peru, regulations provide for strict guidelines to ensure customer protection and support in terms of disclosures, supervisory requirements, cash management, data privacy norms and so on. However ANMs need to increasingly recognise that superior customer experience and delight is no more an option or a matter of compliance, but needs to be integrated into institutional strategy and functioning at all levels. E/m-banking systems depend on above all on clients' trust. Customer service is key to building and maintaining that trust.

³ See *MicroSave* Briefing Note #130 "[Customer Service Through Call Centres](#)"

⁴ See Page 16, [CGAP Bank Agents: Risk Management, Mitigation, and Supervision](#)

⁵ See *MicroSave* Briefing Note # 110 [Managing Channel Satisfaction in Agent Banking 1/2](#)

and # 111 [Managing Channel Satisfaction in Agent Banking 2/2](#) for more details on managing customer satisfaction

⁶ See [CGAP Protecting Branchless Banking Consumers: Policy Objectives and Regulatory Options](#)

⁷ ZMF or Zero Mass Foundation is a business correspondent for State Bank of India (SBI)